

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

NOTICE OF MARKET-DOMINANT PRICE )  
ADJUSTMENT )

Docket No. R2013-10

**MOTION OF  
MPA—THE ASSOCIATION OF MAGAZINE MEDIA,  
THE AMERICAN CATALOG MAILERS ASSOCIATION, INC.,  
DIRECT MARKETING ASSOCIATION, INC.,  
ALLIANCE OF NONPROFIT MAILERS,  
ASSOCIATION OF MARKETING SERVICE PROVIDERS,  
NATIONAL NEWSPAPER ASSOCIATION,  
PRINTING INDUSTRIES OF AMERICA,  
QUAD/GRAPHICS, INC., R.R. DONNELLEY,  
AND TIME INC. TO EXTEND COMMENT PERIOD  
(October 18, 2013)**

The undersigned parties respectfully request that the Commission (1) issue the information request proposed by the Public Representative in its September 30 Motion for Issuance of Information Request, and (2) allow interested parties to submit comments on the price cap implications of the Full Service Intelligent Mail Barcode (“IMb”) “mandate” that is scheduled to take effect in January 2014, with the comments due a reasonable period (e.g., one or two weeks) after the Postal Service provides the requested information. We are authorized to state that the Public Representative supports this request.

39 C.F.R. § 3010.23(d) requires that CPI cap compliance be evaluated based on actual historical billing determinants for the most recent available 12 month period. “Adjustments shall be based on known mail characteristics or historic volume data, as

*opposed to forecasts of mailer behavior.” Id.* (emphasis added). In adopting this rule, the Commission specifically considered the Postal Service’s request for a contrary rule that would allow the use of projections to reflect, *inter alia*, anticipated changes in mailer behavior. Docket No. RM2013-2, *Price Cap Rules For Certain Postal Rate Adjustments*, 78 Fed. Reg. 52694, 52695, 52699 (August 26, 2013).

The Postal Service’s calculations of projected revenue from rate categories that will be affected by the Full Service IMb mandate beginning in January 2014 do not comply with this rule. Instead, the Postal Service has assumed in its revenue calculations that mailer behavior will change, reducing the revenue projected from the proposed rates. Calculations submitted by the Public Representative in Docket No. R2013-6 indicate that this violation of Rule 3010.23 could understate the size of the proposed rate increase by approximately \$1 billion per year from First-Class Mail alone. Docket No. R2013-6, *Notice of Price Adjustment, Technology Credit Promotion*, Public Representative Comments (May 6, 2013) at 13-14.

The information sought by the Public Representative in its September 30 Motion for Issuance of Information Request would enable interested parties and the Commission to quantify more precisely the magnitude of the revenue understatement. Because of the government shutdown, however, the Commission has not ruled on the September 30 Public Representative motion, and the Postal Service has not responded to it.

Wherefore, the undersigned parties respectfully request that the Presiding Officer (1) issue the information request proposed by the Public Representative on September 30, and (2) allow interested parties a reasonable period to comment after the Postal Service provides the requested information.

Respectfully submitted,

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October 18, 2013